

Oklahoma Municipal Retirement Fund

Financial Statements

June 30, 2023 and 2022
(With Independent Auditors' Report Thereon)

OKLAHOMA MUNICIPAL RETIREMENT FUND

FINANCIAL STATEMENTS

Table of Contents

	<u>Page</u>
<u>Independent Auditors’ Report</u>	1
<u>Management’s Discussion and Analysis</u>	I-1
<u>Financial Statements:</u>	
Statements of Fiduciary Net Position—Defined Benefit Plans	4
Statements of Fiduciary Net Position—Defined Contribution Plans.....	5
Statements of Changes in Fiduciary Net Position—Defined Benefit Plans	6
Statements of Changes in Fiduciary Net Position—Defined Contribution Plans	7
Notes to Financial Statements	8
<u>Required Supplementary Information:</u>	
Schedule of Investment Returns	41
<u>Other Supplementary Information:</u>	
Analysis of Fund Ownership for Defined Contribution Plans	42
<u>Report Required by <i>Government Auditing Standards</i>:</u>	
Independent Auditors’ Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	49

INDEPENDENT AUDITORS' REPORT

Board of Trustees
Oklahoma Municipal Retirement Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Oklahoma Municipal Retirement Fund (the "Fund"), which comprise the statements of fiduciary net position (Defined Benefit and Defined Contribution Plans) as of June 30, 2023 and 2022, and the related statements of changes in fiduciary net position for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the fiduciary net position of the plans (Defined Benefit and Defined Contribution Plans) of the Fund as of June 30, 2023 and 2022, and the respective changes in fiduciary net position for the years then ended in accordance with accounting principles generally accepted in the United States.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Fund and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Fund's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

(Continued)

INDEPENDENT AUDITORS' REPORT, CONTINUED

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Fund's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

(Continued)

INDEPENDENT AUDITORS' REPORT, CONTINUED

Required Supplementary Information

Accounting principles generally accepted in the United States require that the management's discussion and analysis on pages I-1 through I-8 and the schedule of investment returns on page 41 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying analysis of fund ownership for defined contribution plans is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2023, on our consideration of the Fund's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Fund's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Fund's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Finley & Cook, PLLC". The signature is written in a cursive, flowing style.

Shawnee, Oklahoma
December 21, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Oklahoma Municipal Retirement Fund (the "Fund"), we offer readers of the Fund's financial statements this narrative overview and analysis of the financial activities of the Fund for the fiscal years ended June 30, 2023 and 2022. Please read it in conjunction with the Fund's financial statements, which begin on page 4.

Financial Highlights—Defined Benefit Plans

	<u>2023</u>	<u>2022</u>
• Fiduciary net position restricted for pension benefits	\$ 689,814,567	645,802,312
• Contributions:		
Members	19,247,767	18,783,742
Participants	8,472,736	7,730,667
• Total investment income (loss)	60,417,338	(90,943,508)
• Benefits, including Participant refunds	40,596,459	38,025,273
• Investment expenses	2,096,023	1,637,694
• Administrative expenses	1,433,104	1,291,476
• Changes in fiduciary net position	44,012,255	(105,383,542)

MANAGEMENT'S DISCUSSION AND ANALYSIS, CONTINUED

Financial Highlights—Defined Contribution Plans

	<u>2023</u>	<u>2022</u>
• Fiduciary net position restricted for plan benefits	\$ 384,733,279	355,549,556
• Contributions:		
Members	16,756,840	15,045,447
Participants	8,637,824	9,438,575
• Investment income (loss), net	35,300,592	(48,479,026)
• Interest income on Participant loans	371,271	363,453
• Benefits, including Participant refunds	30,692,059	31,469,625
• Administrative expenses	1,190,745	1,214,820
• Changes in fiduciary net position	29,183,723	(56,315,996)

DISCUSSION OF THE BASIC FINANCIAL STATEMENTS

This annual financial report consists of two parts: management's discussion and analysis (this section) and the basic financial statements. The Fund offers both a defined benefit plan and a defined contribution plan in which the participating municipal employers share administrative expenses. The Fund is authorized under State statutes to pool funds for investment purposes. The financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. The statements provide financial information about the activities and operations of the Fund.

The statements of fiduciary net position present information on the assets of the Fund, along with liabilities, and the resulting net position held in trust for benefits as of the end of the fiscal year. The Fund's investments are presented at fair value.

The statements of changes in fiduciary net position are presented in order to show the changes in net position during the year. Activity of the Fund consists primarily of contributions to the Fund, unrealized and realized gains and losses on investments, investment income, benefits paid, investment and administrative expenses paid directly from the Fund, and addition or withdrawal of municipalities or plans.

Notes to financial statements provide additional information that is essential to gain a full understanding of the data provided in the financial statements.

The required supplementary information consists of management's discussion and analysis and a schedule of investment returns.

MANAGEMENT'S DISCUSSION AND ANALYSIS, CONTINUED

**CONDENSED FINANCIAL INFORMATION COMPARING
THE CURRENT YEAR TO THE PRIOR YEAR**

Defined Benefit Fiduciary Net Position

The following table summarizes the fiduciary net position as of June 30 and the % changes in the balances:

	<u>2023</u>	<u>2022</u>	<u>% Increase (Decrease)</u>
Cash and short-term investments	\$ 9,331,958	39,755,648	(76.53)%
Investments, at fair value	679,267,955	602,363,488	12.77%
Receivables	<u>1,996,845</u>	<u>4,705,590</u>	(57.56)%
Total assets	<u>690,596,758</u>	<u>646,824,726</u>	6.77%
Liabilities	<u>782,191</u>	<u>1,022,414</u>	(23.50)%
Fiduciary net position	<u>\$ 689,814,567</u>	<u>645,802,312</u>	6.82%

Investments are made in accordance with the investment policy approved by the Board of Trustees. A more detailed description of the types of investments held and the investment policy are presented in the notes to the financial statements.

MANAGEMENT'S DISCUSSION AND ANALYSIS, CONTINUED

**CONDENSED FINANCIAL INFORMATION COMPARING
THE CURRENT YEAR TO THE PRIOR YEAR, CONTINUED**

Defined Benefit Changes in Fiduciary Net Position

The following table summarizes the changes in fiduciary net position between fiscal years 2023 and 2022 and the % changes in the balances:

	<u>2023</u>	<u>2022</u>	% Increase (Decrease)
Additions			
Contributions	\$ 27,720,503	26,514,409	4.55%
Net investment income (loss)	<u>58,321,315</u>	<u>(92,581,202)</u>	162.99%
Total additions	<u>86,041,818</u>	<u>(66,066,793)</u>	230.23%
Deductions			
Benefits, including Participant refunds	40,596,459	38,025,273	6.76%
Administrative expenses	<u>1,433,104</u>	<u>1,291,476</u>	10.97%
Total deductions	<u>42,029,563</u>	<u>39,316,749</u>	6.90%
Changes in fiduciary net position	<u>\$ 44,012,255</u>	<u>(105,383,542)</u>	141.76%

MANAGEMENT'S DISCUSSION AND ANALYSIS, CONTINUED

**CONDENSED FINANCIAL INFORMATION COMPARING
THE CURRENT YEAR TO THE PRIOR YEAR, CONTINUED**

Defined Contribution Fiduciary Net Position

The following table summarizes the fiduciary net position as of June 30 and the % changes in the balances:

	<u>2023</u>	<u>2022</u>	<u>% Increase (Decrease)</u>
Cash and short-term investments	\$ 197,378	99,551	98.27%
Investments, at fair value	380,992,145	350,197,800	8.79%
Participant loans	7,571,656	7,722,227	(1.95)%
Receivables	<u>1,053,434</u>	<u>812,621</u>	29.63%
 Total assets	 <u>389,814,613</u>	 <u>358,832,199</u>	 8.63%
 Liabilities	 <u>5,081,334</u>	 <u>3,282,643</u>	 54.79%
 Fiduciary net position	 <u>\$ 384,733,279</u>	 <u>355,549,556</u>	 8.21%

Investments are made in accordance with the investment policy approved by the Board of Trustees. A more detailed description of the types of investments held and the investment policy are presented in the notes to the financial statements.

MANAGEMENT'S DISCUSSION AND ANALYSIS, CONTINUED

**CONDENSED FINANCIAL INFORMATION COMPARING
THE CURRENT YEAR TO THE PRIOR YEAR, CONTINUED**

Defined Contribution Changes in Fiduciary Net Position

The following table summarizes the changes in fiduciary net position between fiscal years 2023 and 2022 and the % changes in the balances:

	<u>2023</u>	<u>2022</u>	<u>% Increase (Decrease)</u>
Additions			
Contributions—Members	\$ 16,756,840	15,045,447	11.37%
Contributions—Participants	8,637,824	9,438,575	(8.48)%
Net investment income (loss)	35,300,592	(48,479,026)	172.82%
Interest income on Participant loans	<u>371,271</u>	<u>363,453</u>	2.15%
Total additions	<u>61,066,527</u>	<u>(23,631,551)</u>	358.41%
Deductions			
Benefits, including Participant refunds	30,692,059	31,469,625	(2.47)%
Administrative expenses	<u>1,190,745</u>	<u>1,214,820</u>	(1.98)%
Total deductions	<u>31,882,804</u>	<u>32,684,445</u>	(2.45)%
Changes in fiduciary net position	<u>\$ 29,183,723</u>	<u>(56,315,996)</u>	151.82%

MANAGEMENT’S DISCUSSION AND ANALYSIS, CONTINUED

ANALYSIS OF THE OVERALL FINANCIAL POSITION AND RESULTS OF OPERATIONS

The purpose of the Fund is to provide cities, towns, and municipal agencies of Oklahoma with qualified retirement programs at minimal time, cost, and effort. The Fund offers several retirement plan alternatives for municipal employers, which include a Defined Benefit (“DB”) and/or a Defined Contribution (“DC”) plan. It is up to the municipalities (“Members”) to choose which program best fits their needs. Funding for both plans is typically provided by contributions from the Members and their employees (“Participants”).

Although each Member’s plan is funded separately, all assets for the DB plans are combined for investment purposes. The funds are invested for conservative long-term growth. All assets are held in a trust fund, and the Fund’s Board of Trustees retains professional investment managers to invest the funds. The DC plans are also combined for investment purposes; however, the Fund provides several investment alternatives with varying degrees of risk and reward. These alternatives provide Participants the ability to select a combination of investments to best meet their individual objectives, whether they are just beginning their careers or are close to retirement. Therefore, we will not show the Fund’s net yield on its average assets for the year ended June 30, 2023 or 2022, for the DC plan because the returns are solely based on each Participant’s investment selection.

Investment income and markets in general for the DB plans have seen stronger market gains with less volatility during this year as compared to the prior year which had significant turbulence. The diversity of the Fund’s investment portfolio continues to provide both security and potential growth with its 65/20/15 split between stocks, bonds, and real estate, respectively. The Fund’s yield on its average assets for the years ended June 30 and the yield for the S&P 500 and the Bloomberg Barclays U.S. Aggregate during the same period were as follows:

	<u>2023</u>	<u>2022</u>
Fund's yield on average assets	10.06%	(12.18)%
S&P 500 yield	19.59%	(10.62)%
Bloomberg U.S. Aggregate yield	(0.94)%	(10.29)%

Total benefit payments increased for the DB plans and decreased for the DC plans this year, but will always vary based on specific activity within the individual plans.

The Members share plan operational costs, enabling many municipalities to provide plans which might not be affordable otherwise. The major components of the expenses are for investment management of the assets, actuarial and participant recordkeeping, payroll-related expenses for the employees of the Fund, custodial and legal fees, and miscellaneous office expenses. The Fund uses commingled funds and mutual funds to invest a portion of the assets. These mutual funds have internal expenses and management fees that have not been itemized as Fund expenses since they are not paid directly by the Fund.

MANAGEMENT'S DISCUSSION AND ANALYSIS, CONTINUED

ANALYSIS OF THE OVERALL FINANCIAL POSITION AND RESULTS OF OPERATIONS, CONTINUED

While the Fund is directly impacted by the overall investment market changes, investments are made based on their expected long-term performance and in the best interest of the Members and Participants of the Fund. With approximately \$1.1 billion in assets and a wide range of diversity of investments, the Fund has the financial resources to maintain its current investment strategies while continuing to review other investment options to benefit its Members.

During the year, 7 new plans were established; 4 of those were new Members to the Fund and 3 were current Members that added an additional plan. There was 1 DC plan termination due to privatization of services. Participants have until June 30, 2024, to roll their funds or take distributions for the DC plan termination.

No other items are known by management to have a significant impact on the operations or financial position of the Fund as of December 21, 2023.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Fund's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Executive Director, % Oklahoma Municipal Retirement Fund, 1001 NW 63rd Street, Suite 260, Oklahoma City, OK 73116.

OKLAHOMA MUNICIPAL RETIREMENT FUND

**STATEMENTS OF FIDUCIARY NET POSITION—
DEFINED BENEFIT PLANS**

<i>June 30,</i>	<i>2023</i>	<i>2022</i>
Assets		
Cash and short-term investments	\$ 9,331,958	39,755,648
Investments, at fair value:		
Fixed income securities	130,280,335	136,170,284
Equity securities—domestic	284,879,015	205,570,210
Equity securities—international	177,484,242	147,991,034
Alternative investments	9,697,705	51,404,690
Real estate	76,926,658	61,227,270
Total investments, at fair value	<u>679,267,955</u>	<u>602,363,488</u>
Receivables:		
Contributions receivable from Members	1,114,090	934,200
Contributions receivable from Participants	454,286	371,212
Accrued interest and dividends receivable	428,469	289,459
Due from broker	-	3,110,719
Total receivables	<u>1,996,845</u>	<u>4,705,590</u>
Total assets	<u>690,596,758</u>	<u>646,824,726</u>
Liabilities		
Payable to Participants	282,043	631,435
Due to broker	500,148	390,979
Total liabilities	<u>782,191</u>	<u>1,022,414</u>
Fiduciary net position restricted for pension benefits	<u>\$ 689,814,567</u>	<u>645,802,312</u>

See Independent Auditors' Report.
See accompanying notes to financial statements.

OKLAHOMA MUNICIPAL RETIREMENT FUND

**STATEMENTS OF FIDUCIARY NET POSITION—
DEFINED CONTRIBUTION PLANS**

<i>June 30,</i>	<i>2023</i>	<i>2022</i>
Assets		
Cash and short-term investments	\$ 197,378	99,551
Investments, at fair value:		
Fixed income securities	72,781,691	74,168,729
Equity securities—domestic	86,646,021	75,465,630
Equity securities—international	12,657,696	11,749,003
Target date funds	207,916,300	187,644,330
Real assets	990,437	1,170,108
Total investments, at fair value	<u>380,992,145</u>	<u>350,197,800</u>
Participant loans	<u>7,571,656</u>	<u>7,722,227</u>
Receivables:		
Contributions receivable from Members	711,748	548,839
Contributions receivable from Participants	341,686	263,782
Total receivables	<u>1,053,434</u>	<u>812,621</u>
Total assets	<u>389,814,613</u>	<u>358,832,199</u>
Liabilities		
Payable to Participants	<u>5,081,334</u>	<u>3,282,643</u>
Total liabilities	<u>5,081,334</u>	<u>3,282,643</u>
Fiduciary net position restricted for plan benefits	<u><u>\$ 384,733,279</u></u>	<u><u>355,549,556</u></u>

See Independent Auditors' Report.
See accompanying notes to financial statements.

OKLAHOMA MUNICIPAL RETIREMENT FUND

**STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION—
DEFINED BENEFIT PLANS**

<i>Years Ended June 30,</i>	<i>2023</i>	<i>2022</i>
ADDITIONS		
Contributions:		
Members	\$ 19,247,767	18,783,742
Participants	8,472,736	7,730,667
Total contributions	<u>27,720,503</u>	<u>26,514,409</u>
Investment income (loss):		
Interest and dividends	7,187,219	6,095,884
Net appreciation (depreciation) in fair value of investments	53,230,119	(97,039,392)
Total investment income (loss)	60,417,338	(90,943,508)
Less investment expense	2,096,023	1,637,694
Net investment income (loss)	<u>58,321,315</u>	<u>(92,581,202)</u>
Total additions	<u>86,041,818</u>	<u>(66,066,793)</u>
DEDUCTIONS		
Benefits, including Participant refunds	40,596,459	38,025,273
Administrative expenses	1,433,104	1,291,476
Total deductions	<u>42,029,563</u>	<u>39,316,749</u>
Changes in fiduciary net position	44,012,255	(105,383,542)
Fiduciary net position restricted for pension benefits, beginning of year	<u>645,802,312</u>	<u>751,185,854</u>
Fiduciary net position restricted for pension benefits, end of year	<u>\$ 689,814,567</u>	<u>645,802,312</u>

See Independent Auditors' Report.
See accompanying notes to financial statements.

OKLAHOMA MUNICIPAL RETIREMENT FUND

**STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION—
DEFINED CONTRIBUTION PLANS**

<i>Years Ended June 30,</i>	<i>2023</i>	<i>2022</i>
ADDITIONS		
Contributions:		
Members	\$ 16,756,840	15,045,447
Participants	8,637,824	9,438,575
Total contributions	<u>25,394,664</u>	<u>24,484,022</u>
Net investment income (loss)	35,300,592	(48,479,026)
Interest income on Participant loans	<u>371,271</u>	<u>363,453</u>
Total additions	<u>61,066,527</u>	<u>(23,631,551)</u>
DEDUCTIONS		
Benefits, including Participant refunds	30,692,059	31,469,625
Administrative expenses	<u>1,190,745</u>	<u>1,214,820</u>
Total deductions	<u>31,882,804</u>	<u>32,684,445</u>
Changes in fiduciary net position	29,183,723	(56,315,996)
Fiduciary net position restricted for plan benefits, beginning of year	<u>355,549,556</u>	<u>411,865,552</u>
Fiduciary net position restricted for plan benefits, end of year	<u>\$ 384,733,279</u>	<u>355,549,556</u>

See Independent Auditors' Report.
See accompanying notes to financial statements.

OKLAHOMA MUNICIPAL RETIREMENT FUND

NOTES TO FINANCIAL STATEMENTS

June 30, 2023 and 2022

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of the Fund

The Oklahoma Municipal Retirement Fund (the “Fund”) was established July 1, 1966, for the purpose of providing a trust instrument for the administration of retirement allowances and other specified benefits for employees of city or town governments and municipally owned agencies in Oklahoma. These municipalities (“Members”) may elect to participate in the Fund in order to provide for the retirement of their employees (“Participants”) who are not covered by another retirement plan. There are two programs available to each participating Member, one being a defined contribution plan and the other a defined benefit plan. Each plan has various available options. The defined benefit plan is an agent multiple-employer type plan.

The overall operations of the Fund are supervised by a nine-member Board of Trustees elected by the participating Members. The Northern Trust Company (“NT”) acts as securities custodian for the defined benefit plans, and Voya Financial acts as securities custodian for the defined contribution plans. The Fund utilizes mutual funds, collective trust funds of banks and trust companies, or separate accounts specifically tailored for the Fund by investment advisors, greatly expanding the universe of managers to choose from. In each case, rigorous standards for selection and monitoring are applied. The usage of vehicles other than mutual funds may enable the Fund to reduce expenses or utilize the talent of an investment manager that might not be available via a mutual fund. The investment managers utilized by the Fund during the year are as follows:

<u>Manager</u>	<u>Style</u>	<u>Type</u>
<u>Defined Benefit</u>		
Amundi Institutional Asset Management, Inc.	Active	Collective Trust Fund
Artisan Partners	Active	Mutual Fund
Axiom Investors, LLC	Active	Collective Trust Fund
BlackRock Financial Management, Inc.	Active	Mutual Fund
Clarion Partners, LLC	Active	Limited Partnership for Private Placement
JPMorgan Asset Management	Active	Commingled Funds and Collective Trust Fund
K2 Ascent, LLC	Active	Conduit for Private Investment Funds
Ninety One North America, Inc.	Active	Collective Trust Fund
Northern Trust Investments, Inc.	Active	Mutual Fund
River Road Asset Management, LLC	Active	Separate Account Manager
State Street Global Advisors	Passive	Collective Trust Fund
Warburg Pincus, LP	Active	Limited Partnership for Private Placement
WCM Investment Management	Active	Limited Partnership for Private Placement
William Blair Investment Management, LLC	Active	Collective Trust Fund

See Independent Auditors’ Report.

OKLAHOMA MUNICIPAL RETIREMENT FUND

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Description of the Fund, Continued

Manager	Style	Type
<u>Defined Contribution</u>		
Amundi Institutional Asset Management, Inc.	Active	Collective Trust Fund
Artisan Partners	Active	Mutual Fund
Axiom Investors, LLC	Active	Collective Trust Fund
BlackRock Financial Management, Inc.	Active	Mutual Fund
Calvert Research and Management	Active	Mutual Fund
Harding Loevner, LP	Active	Collective Trust Fund
JPMorgan Asset Management	Active	Collective Trust Fund
Pacific Investment Management Company (PIMCO), LLC	Active	Collective Trust Fund
State Street Global Advisors	Passive	Collective Trust Fund
T. Rowe Price Associates, Inc.	Active	Mutual Fund
Vanguard Institutional Asset Management	Active	Mutual Fund
Victory Capital Management, Inc.	Active	Mutual Fund
Voya Financial	Active	Annuity Contract Fund
William Blair Investment Management, LLC	Active	Collective Trust Fund

There were 244 and 240 Members in the Fund at June 30, 2023 and 2022, respectively. The Members use a defined benefit plan, a defined contribution plan, or a combination of plans. As of June 30, 2023, there was a total of 383 plans administered by the Fund, which included 131 defined benefit plans and 252 defined contribution plans. As of June 30, 2022, there was a total of 377 plans administered by the Fund, which included 131 defined benefit plans and 246 defined contribution plans.

Participant data related to the defined benefit plans is as follows:

	Plans with Actuarial Information at	
	<u>July 1, 2023</u>	<u>July 1, 2022</u>
Retirees and beneficiaries currently receiving benefits, and terminated Participants entitled to benefits but not yet receiving them	<u>2,933</u>	<u>2,836</u>
	<u>July 1, 2022*</u>	<u>July 1, 2021*</u>
Active Participants:		
Vested	1,516	1,571
Nonvested	<u>2,286</u>	<u>2,167</u>
	<u>3,802</u>	<u>3,738</u>

*This was the most current information available on active Participants as of the audit report date.

See Independent Auditors' Report.

OKLAHOMA MUNICIPAL RETIREMENT FUND

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(1) **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

Description of the Fund, Continued

Participant data related to members with retiree-only defined benefit plans which no longer participate in the Fund is as follows:

	Plans with Actuarial Information at	
	<u>July 1, 2022*</u>	<u>July 1, 2021*</u>
Retiree-only Participants currently receiving benefits	<u>151</u>	<u>154</u>

*This was the most current information available on retiree-only Participants as of the audit report date.

The Members involved are still responsible for maintaining the funded status of the plans.

In general, the Fund provides retirement benefits based on either the Participant's final average compensation, age, term of service, plus annual cost-of-living adjustments, if so elected, or the accumulation of contributions and earnings, depending upon the type of plan elected. Benefit and funding provisions include:

Defined Benefit Plans

- Participants in a defined benefit plan become 100% vested in retirement benefits earned to date according to the plan option elected by the Member. Vesting can occur after 5 years, 7 years, or 10 years, depending on the election made. Participants are eligible for normal retirement at their normal retirement age, which is generally the latter of age 65 or becoming vested. If elected by Members, normal retirement could be as early as age 55, 60, or 62, with various service requirements. Early retirement benefits are available at reduced amounts as early as age 55. The normal retirement benefit is equal to an elected percentage of final compensation for each year of credited service. Final compensation is defined as the average salary for the highest 60 consecutive months out of the last 10 years of the Participant's employment.*
- A Participant is eligible for disability benefits upon becoming disabled and vested.
- On non-hybrid plans, upon separation from the Fund, nonvested defined benefit plan Participant contributions are refundable in addition to a 6% return on their contributions. On hybrid plans, upon separation from the Fund, nonvested defined benefit plan Participant contributions are refundable in addition to real investment returns/losses on their contributions.

See Independent Auditors' Report.

(1) **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

Description of the Fund, Continued

Defined Benefit Plans, Continued

- The monthly Member contribution requirement for each Member participating in one of the defined benefit plans is based upon a percentage of Participants' compensation. The percentage for each Member is computed every year by the Fund's actuary, pursuant to an actuarial cost method which consists of the actuarially computed normal costs and the interest on any unfunded past service costs amortized over a fixed 30-year period, which began the later of July 1, 2020, or the first amortization date after joining the Fund.

*Bartlesville is the only exception. They have a career average plan and allow for normal retirement upon reaching Rule of 80 with no age minimum.

Deferred Retirement Option Program (DROP)—Included in the defined benefit plans at June 30, 2023 and 2022, was a balance of approximately \$24,000 and \$17,000, respectively, in the DROP. As of both June 30, 2023 and 2022, one Member city had a participant with a balance in the DROP. The terms for the DROP are as follows:

An individual Participant within one year of their normal retirement date may elect the DROP in lieu of terminating employment; DROP payments are in lieu of and not in addition to any other benefit provisions; no payments shall be made to the Participant during the DROP period of 5 years; no additional retirement benefits accrue during the DROP period; Participant contributions cease as of the effective date of the DROP; and interest of 3% per annum shall be credited to the Participant's DROP balance.

Retiree Medical Plans—Defined benefit plan Members can offer an additional Retiree Medical Program. This plan assists retirees with insurance premium expenses. As of both June 30, 2023 and 2022, three Members offered this program and net assets totaling \$762,000 and \$727,000, respectively, were included in the defined benefit plans.

Defined Contribution Plans

The defined contribution plans are funded through selected rates of contributions as elected by each Member. The funds are credited to individual Participant accounts and pooled for investment purposes through the Fund. All gains and/or losses are credited directly to each Participant. Upon retirement, termination of employment, disability, or death, the vested portion of a Participant's account is paid to the Participant or beneficiary as elected and in accordance with IRS regulations. This amount is based on an accumulation of Participant and Member contributions, forfeitures, if applicable, and earnings or losses.

OKLAHOMA MUNICIPAL RETIREMENT FUND

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(1) **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

Description of the Fund, Continued

Termination and Withdrawal

A Member under a defined benefit plan may at any time terminate its involvement with the Fund with respect to its Participants, pursuant to ordinance approved by the governing body of the Member, and may direct and require the Board of Trustees to liquidate the portion of the Fund allocable to its Participants or their beneficiaries in the following order:

- a. Benefits attributable to Participant contributions with interest, taking into account those paid out before termination.
- b. Benefits to former Participants or their beneficiaries receiving a retirement income or those Participants who have become eligible for normal retirement but have not yet retired.
- c. Pensions deferred to normal retirement date for Participants who have qualified for an early deferred pension.
- d. Pensions deferred to normal retirement date for Participants who have qualified for a deferred vested pension.
- e. All other vested benefits.
- f. All nonvested benefits.
- g. All remaining assets shall be distributed as designated by the Member's retirement committee.

Basis of Accounting

The financial statements are prepared using the accrual basis of accounting, under which expenses are recorded when the liability is incurred, revenues are recorded in the accounting period in which they are earned and become measurable, and investment purchases and sales are recorded as of their trade date. The financial statements are in conformity with provisions of Governmental Accounting Standards Board Statement No. 67, *Financial Reporting for Pension Plans—an amendment of GASB Statement No. 25* (GASB 67).

Income Taxes

The Fund is exempt from federal and state income taxes.

See Independent Auditors' Report.

OKLAHOMA MUNICIPAL RETIREMENT FUND

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Investments

The Fund is authorized to invest in eligible investments as approved by the Board of Trustees as set forth in the investment policy. The Board of Trustees reviews and updates the investment policy at least annually, making changes deemed necessary to achieve policy goals.

Investment Allocation Policy—The Board of Trustees has adopted the asset allocation policy shown below for Fund assets. Target percentages have been determined for each asset class, along with allocation ranges. Percentage allocations are intended to serve as guidelines; the Board of Trustees will not be required to remain strictly within the designated ranges. Market conditions or an investment transition by asset class or manager may require an interim investment strategy and, therefore, result in a temporary imbalance from the target allocation ranges in the asset mix. Figures below reflect percentages of total assets.

Defined Benefit Assets:

Asset Class	Minimum	Target	Maximum	Benchmark
U.S. large cap equity	20%	25%	30%	S&P 500 Index
U.S. small/mid cap equity	5%	10%	15%	Russell 2500 Index, Russell 2000 Index
Non-U.S. developed equity	15%	20%	25%	MSCI ACWI ex-U.S. Net Div index
Emerging markets equity	0%	5%	10%	MSCI Emerging Markets Net Div Index
Alternative investments	0%	0%	15%	MSCI ACWI Net Div Index
Private equity	0%	5%	10%	MSCI ACWI Net Div Index
Fixed income	15%	20%	30%	Bloomberg U.S. Aggregate Bond Index
Real estate	10%	15%	20%	NCREIF Property Index

Defined Contribution Assets:

Growth & Value Fund	Minimum	Target	Maximum	Benchmark
Vanguard Windsor II	20%	25%	30%	Russell 1000 Value Index
Vanguard Total Stock Index	45%	50%	55%	S&P 500 Index
T. Rowe Price Large Cap Growth	20%	25%	30%	Russell 1000 Growth Index

See Independent Auditors' Report.

OKLAHOMA MUNICIPAL RETIREMENT FUND

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Investments, Continued

Investment Allocation Policy—Continued

Defined Contribution Assets, Continued:

Aggressive Equity Fund	Minimum	Target	Maximum	Benchmark
Victory Integrity Small Cap Value	20%	25%	30%	Russell 2000 Value Index
SSgA Russell Small Cap Completeness Index	45%	50%	55%	Russell Small Cap Completeness Index
William Blair Small/Mid Cap Growth	20%	25%	30%	Russell 2500 Growth Index
International Equity Fund	Minimum	Target	Maximum	Benchmark
Artisan International Value	20%	25%	30%	MSCI EAFE Net Div Index
SSgA Global Equity ex-U.S. Index	20%	25%	30%	MSCI ACWI ex-U.S. Net Div Index
Harding Loevner International Equity	20%	25%	30%	MSCI ACWI ex-U.S. Net Div Index
Axiom Emerging Markets Equity	20%	25%	30%	MSCI Emerging Markets Net Div Index
Total Yield Bond Fund	Minimum	Target	Maximum	Benchmark
JPMorgan Core Bond	45%	50%	55%	Bloomberg U.S. Aggregate Bond Index
Amundi Opportunistic Core Plus	20%	25%	30%	Bloomberg Universal Bond Index
BlackRock Strategic Income Opportunities	20%	25%	30%	U.S. T-Bills 30 Day+4% Bloomberg U.S. Aggregate Bond Index

See Independent Auditors' Report.

(1) **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

Investments, Continued

Significant Investment Policy Changes Made During the Year—During the years ended June 30, 2023 and 2022, there were no significant investment policy changes.

Rate of Return—For the years ended June 30, 2023 and 2022, the annual money-weighted rate of return on defined benefit assets, net of pension plan investment expense, was 9.13% and (12.43)%, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Method Used to Value Investments—Investments are stated at fair value.

Accounting principles generally accepted in the United States establish a fair value hierarchy for the determination and measurement of fair value. This hierarchy is based on the type of valuation inputs needed to measure the fair value of an asset. The hierarchy generally is as follows:

Level 1—Unadjusted quoted prices in active markets for identical assets.

Level 2—Quoted prices for similar assets, inputs that are observable, or other forms of market corroborated inputs.

Level 3—Pricing based on best available information, including primarily unobservable inputs and assumptions market participants would use in pricing the asset.

In addition to the above three levels, if an investment does not have a readily determinable fair value, the investment can be measured using the net asset value (NAV) per share (or its equivalent). Investments valued at NAV are categorized as NAV and not listed as Level 1, 2, or 3.

Because the investments are reported at fair values, the financial statements of the Fund are directly impacted by interest rate changes and market conditions. In addition, the Fund has investments in securities of foreign governments which are subject not only to changes in values due to interest rates but also to domestic, international, and world trade policies.

The net depreciation or appreciation in the fair value of the Fund's investments is recorded as a component of investment income based on the valuation of investments as of June 30, 2023 and 2022.

Derivative instruments are financial contracts whose values depend on the values of one or more underlying assets, reference rates, or financial indexes. They include futures contracts, swap contracts, options contracts, and forward foreign currency exchange. The Fund's investment policy addresses the use of derivatives by fund manager. Investments in commingled funds may include derivatives. Commingled funds have been reviewed to ensure they are in compliance with the Fund's investment policy. The Fund did not hold any direct derivative investments as of June 30, 2023 or 2022.

The investment policy limits the concentration of each portfolio manager. No direct investment in any one organization represents 5% or more of the total investments of each plan.

See Independent Auditors' Report.

OKLAHOMA MUNICIPAL RETIREMENT FUND

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Investments, Continued

Method Used to Value Investments—Continued

At June 30, 2023 and 2022, the Fund's investments included short-term investments of \$9,331,958 and \$39,755,648, respectively. These represent monies invested in a diversified pool consisting of U.S. government obligations, bank obligations, commercial investments, and repurchase agreements secured by U.S. Treasury obligations. Because of the nature and liquidity of these investments, they are classified as cash equivalents. Debt and equity securities are reported at fair value, as determined by the Fund's custodial agent, using pricing services or prices quoted by independent brokers based on the latest reported sales prices at current exchange rates for securities traded on national or international exchanges.

Participant Loans

The Fund began a Participant loan program on July 1, 1996. Members can elect to include the Participant loan program as part of their defined contribution plan. Participants can borrow up to the lesser of \$50,000 or 50% of the Participant's vested balance. The minimum amount of a loan is \$1,000. Special rules apply to the City of Muskogee.

Earnings attributable to the Participant loans are allocated only to the account of the borrowing Participant.

Use of Estimates in Preparing Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make significant estimates and assumptions that affect the reported amounts of net position restricted for benefits at the date of the financial statements. Actual results could differ from those estimates.

Risks and Uncertainties

Contributions to the Fund are reported based on certain assumptions pertaining to interest rates, inflation rates, and Participant compensation and demographics. Due to the changing nature of these assumptions, it is at least reasonably possible that changes in these assumptions may occur in the near term and, due to uncertainties inherent in setting assumptions, that the effect of such changes could be material to the financial statements.

Employee Costs

The Fund hires Nextep, Inc. to provide administrative services, including payroll, human resources, employee health and welfare benefits, and cafeteria plan benefits; therefore, the Fund does not remit federal or state withholding taxes directly to the taxing agencies. Nextep, Inc. charges the Fund 1.58% of its gross wages as administrative costs. Employee costs are paid through the Trust Administrative Account, which is detailed in Note 5.

See Independent Auditors' Report.

(1) **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

Employee Costs, Continued

The employees' defined benefit retirement plan is through the Fund. The Fund adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27* (GASB 68), as of July 1, 2014, as it applies to its retirement plan. The net pension liability of its retirement plan as of the measurement dates of July 1, 2022 and 2021, was \$351,669 and \$24,745, respectively, with no material impact on the Fund's financial statements.

Recent Accounting Pronouncements

In May 2019, GASB issued Statement No. 91, *Conduit Debt Obligations* (GASB 91). The objective of GASB 91 is to provide a single method of reporting for conduit debt obligations issued and eliminate diversity in practice regarding 1) commitments extended by issuers, 2) arrangements associated with conduit debt obligations, and 3) related note disclosures. The Fund adopted GASB 91 on July 1, 2022, for the June 30, 2023, reporting year, which did not have a significant impact on the financial statements.

In March 2020, GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* (GASB 94). GASB 94 defines and provides financial reporting requirements for Public-Private or Public-Public Partnerships (PPP) and Availability Payment Arrangements (APA). A PPP is an arrangement between a government (transferor) and an operator (governmental or non-governmental) to provide public services by conveying the right to control or use a nonfinancial or infrastructure asset for a period of time in an exchange-like transaction. An APA is a similar arrangement where the operator may also be compensated for services that include designing, constructing, financing and maintaining a nonfinancial asset for a period of time. The Fund adopted GASB 94 on July 1, 2022, for the June 30, 2023, reporting year, which did not have a significant impact on the Fund's financial statements.

In May 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements* (GASB 96). GASB 96 provides accounting and financial reporting guidance for government end users of subscription-based information technology arrangements (SBITAs). GASB 96 defines a SBITA, establishes right-to-use assets and corresponding liabilities, and provides the capitalization criteria and the note disclosures required for SBITAs. The Fund adopted GASB 96 on July 1, 2022, for the June 30, 2023, reporting year, which did not have a significant impact on the financial statements.

(1) **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

Recent Accounting Pronouncements, Continued

In April 2022, GASB issued Statement No. 99, *Omnibus 2022* (GASB 99). GASB 99 is a technical omnibus statement that addresses issues or concerns from previous statements that were discovered during implementation and application of those statements. GASB 99 covers several topics including but not limited to, financial guarantees, derivatives, leases, non-monetary transactions, future revenue pledges and terminology updates. The Fund adopted the sections that were effective for the June 30, 2022, and the June 30, 2023, reporting years. The remaining sections will be adopted by the Fund for the June 30, 2024, reporting year, as required by GASB 99. GASB 99 will not have a significant impact on the Fund's financial statements.

In June 2022, GASB issued Statement No. 100, *Accounting Changes and Error Corrections* (GASB 100). GASB 100 prescribes accounting and financial reporting for accounting changes and error corrections to the financial statements. GASB 100 defines what constitutes an accounting change versus a change in accounting principle or error correction and outlines the appropriate note disclosures in each circumstance. The Fund will adopt GASB 100 on July 1, 2023, for the June 30, 2024, reporting year. The Fund does not expect GASB 100 to significantly impact the financial statements.

In June 2022, GASB issued Statement No. 101, *Compensated Absences* (GASB 101). GASB 101 outlines the definition of compensated absences and sets forth the accounting and financial reporting for compensated absence liabilities. GASB 101 outlines that leave accrued should be measured using the employees' pay rate at the financial statement date and that certain salary related payments, such as Social Security and Medicare, should be included in such measurement. The Fund will adopt GASB 101 on July 1, 2024, for the June 30, 2025, reporting year. The Fund does not expect GASB 101 to significantly impact the financial statements.

Date of Management's Review of Subsequent Events

The Fund has evaluated subsequent events through December 21, 2023, the date that the financial statements were available to be issued, and determined that no subsequent events have occurred that require adjustment to or disclosure in the financial statements.

OKLAHOMA MUNICIPAL RETIREMENT FUND

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(2) CASH AND INVESTMENTS

At June 30, cash and short-term investments were comprised of the following:

	<u>Defined Benefit Plans</u>	<u>Defined Contribution Plans</u>
<u>2023</u>		
U.S. currency deposits	\$ -	197,378
Short-term investments	<u>9,331,958</u>	<u>-</u>
	<u>\$ 9,331,958</u>	<u>197,378</u>
<u>2022</u>		
U.S. currency deposits	\$ -	99,551
Short-term investments	<u>39,755,648</u>	<u>-</u>
	<u>\$ 39,755,648</u>	<u>99,551</u>

The short-term investments are considered cash equivalents and are invested in U.S. Treasury money market funds.

During 2023 and 2022, the Fund's defined benefit investments, including investments bought, sold, as well as held, during the year appreciated in value as follows:

	<u>Defined Benefit Plans</u>	
	<u>2023</u>	<u>2022</u>
Unrealized appreciation (depreciation):		
Debt securities	\$ (1,274,506)	(15,673,877)
Equity securities	<u>50,808,203</u>	<u>(110,176,113)</u>
Net unrealized appreciation (depreciation)	49,533,697	(125,849,990)
Net realized appreciation	<u>3,696,422</u>	<u>28,810,598</u>
Net appreciation (depreciation) in fair value of investments	<u>\$ 53,230,119</u>	<u>(97,039,392)</u>

Also included in the current appreciation in the fair value of investments are dividends reinvested in mutual funds.

The Fund's defined contribution investments reflected net investment income (loss) of \$35,300,592 and \$(48,479,026) for the years ended June 30, 2023 and 2022, respectively. A more detailed breakdown of the net investment income (loss) is not available.

See Independent Auditors' Report.

OKLAHOMA MUNICIPAL RETIREMENT FUND

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(2) CASH AND INVESTMENTS, CONTINUED

While the Fund has no direct investment in any one organization over 5%, it does have investments in the following mutual funds or collective trust funds at June 30 which are over 5% of the total net position of each plan.

<u>Description</u>	<u>Fair Value</u>	
	<u>2023</u>	<u>2022</u>
<u>Defined Benefit Plans:</u>		
JPMorgan Core Bond Fund	\$ 35,447,906	42,873,708
Amundi Multi-Sector Fixed Income Fund	45,149,642	44,546,101
WCM Focused International Growth Fund	46,333,396	36,936,360
State Street Global Advisors S&P 500 Flagship Fund	219,568,155	151,696,644
BlackRock Strategic Income Opportunity Fund	49,682,787	48,750,475
Ninety One International Dynamic Fund	48,620,066	40,598,800
Artisan International Value Fund	49,404,203	44,761,168
William Blair Small/Mid Cap Growth Fund	35,027,268	- *
JPMorgan Strategic Property Fund	- *	35,201,309
<u>Defined Contribution Plans:</u>		
Voya Fixed Plus III Fund	53,413,974	53,869,451
State Street Global Advisors Target Retirement 2020	22,703,806	24,205,872
State Street Global Advisors Target Retirement 2025	38,967,670	38,197,165
State Street Global Advisors Target Retirement 2030	31,158,317	26,269,428
State Street Global Advisors Target Retirement 2035	27,683,217	24,365,980
State Street Global Advisors Target Retirement 2040	21,585,840	18,242,698
State Street Global Advisors S&P 500 Flagship Fund	37,197,520	32,221,103
State Street Global Advisors Target Retirement Income Fund	- *	19,100,266

*Investment did not represent 5% or more of the plan's net position at indicated year end.

See Independent Auditors' Report.

OKLAHOMA MUNICIPAL RETIREMENT FUND

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(2) CASH AND INVESTMENTS, CONTINUED

Custodial Credit Risk

Custodial credit risk is the risk that in the event of the failure of a counterparty, the Fund will not be able to recover the value of its investments. Deposits are exposed to custodial credit risk if they are uninsured and uncollateralized. Investment securities are exposed to custodial credit risk if they are uninsured, are not registered in the name of the Fund, or are held by a counterparty or the counterparty's trust department but not in the name of the Fund. The investment policy states that the Fund shall mitigate custodial risk by having a continuing deposit security agreement in place with the bank on each of the operating cash accounts. The agreement requires the bank to pledge assets in an amount equal to or greater than the aggregate deposit account balance over the Federal Deposit Insurance Corporation (FDIC) insured amount. The collateral is delivered and held by the Federal Reserve Bank in the name of the Fund. The investment policy also states that the Fund shall rely on Title 12 of the Code of Federal Regulations (12 CFR) Part 9, Section 13 issued by the Comptroller of the Currency, which states that a national bank shall keep the assets of the fiduciary accounts separate from the assets of the bank.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. The investment policy states that investments should be prudently managed relative to the given benchmark for that investment manager so as to avoid excessive exposure to any single currency. Country exposures are monitored through a quarterly performance report provided by the investment consultant.

Investment in international equity securities as of June 30 is shown by monetary unit to indicate possible foreign currency risk as follows:

<u>Currency</u>	<u>2023</u>		<u>2022</u>	
	<u>Defined Benefit Plans</u>	<u>Defined Contribution Plans</u>	<u>Defined Benefit Plans</u>	<u>Defined Contribution Plans</u>
U.S. dollar*	\$ 301,576	16,838	2,767,834	36,928
Commingled funds, mutual funds, and collective trust funds*	<u>177,182,666</u>	<u>12,640,858</u>	<u>145,223,200</u>	<u>11,712,075</u>
	<u>\$ 177,484,242</u>	<u>12,657,696</u>	<u>147,991,034</u>	<u>11,749,003</u>

*Represents international investments traded in U.S. dollars.

See Independent Auditors' Report.

(2) CASH AND INVESTMENTS, CONTINUED

Foreign Currency Risk, Continued

At June 30, 2023 and 2022, commingled funds, mutual funds, and collective trust funds were made up of the following:

- Artisan International Value Institutional Fund—The investment objective of the fund is maximum long-term capital growth. The fund employs a fundamental investment process to construct a diversified portfolio of stocks of undervalued non-U.S. companies of all sizes. Under normal market conditions, the fund invests no less than 80% of its total assets (excluding cash and cash equivalents), measured at market value at the time of purchase, in common stocks and other equity and equity-linked securities of non-U.S. companies. The fund invests primarily in developed markets but may also invest in emerging and less developed markets.
- State Street Global Advisors Global Equity Ex-U.S. Index Fund—The investment objective of the fund is to seek an investment return that approximates as closely as practicable, before expenses, the performance of its benchmark index, the MSCI ACWI with the exception of the United States Index (the “index”), over the long term. The fund is managed using a passive or indexing investment approach by which SSgA attempts to match, before expenses, the performance of the index. SSgA typically invests in the securities comprising the index in approximately the same proportions as they are represented in the index.
- WCM Focused International Growth Fund LP—The investment objective of the fund is to seek long-term capital appreciation by investing primarily in equity securities of non-U.S. domiciled companies or depository receipts of non-U.S. domiciled companies. The fund’s investments in equity securities may include common stocks, preferred stocks, and warrants, but may also invest in emerging markets.
- Axiom Emerging Markets Collective Investment Trust Fund—The investment objective of the fund is to seek long-term returns from a portfolio of investments in emerging markets. The fund generally invests at least 80% of its assets in equity securities. To reduce volatility, the fund is diversified.
- Harding Loevner International Equity Portfolio Fund—The investment objective of the fund is to seek long-term capital appreciation through investments in equity securities of companies based outside of the United States.
- Ninety One International Dynamic Equity Fund—The investment objective of this fund is to achieve long-term capital growth primarily through investment in the equity securities of companies in all economic sectors in any part of the world except the U.S. At least two-thirds of the fund’s assets will be invested in equities of companies domiciled in Europe, Australasia, and the Far East.

See Independent Auditors’ Report.

OKLAHOMA MUNICIPAL RETIREMENT FUND

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(2) CASH AND INVESTMENTS, CONTINUED

Credit Risk

Fixed income securities are subject to credit risk. Credit quality rating is one method of assessing the ability of the issuer to meet its obligation. The investment portfolio for core fixed income managers requires the portfolio to maintain an average quality of investment grade or higher as rated by at least two of three rating agencies. For opportunistic fixed income managers, the investment policy requires the overall portfolio to maintain an average credit quality of BBB- or higher. Exposure to credit risk as of June 30 was as follows:

<u>Investment Type</u>	Standard & Poor's Ratings (Unless Noted)	<u>Defined Benefit Plans</u>		<u>Defined Contribution Plans</u>	
		<u>Fair Value</u>	Fair Value as a Percent of Total Fixed Maturity <u>Fair Value</u>	<u>Fair Value</u>	Fair Value as a Percent of Total Fixed Maturity <u>Fair Value</u>
<u>2023</u>					
Collective trust and mutual funds:					
Voya Fixed Plus III Fund ⁽¹⁾	Not rated	\$ -	0.00%	53,413,974	73.39%
JPMorgan Core Bond Fund ⁽²⁾	Not rated	-	0.00%	2,944,514	4.04%
JPMorgan Core Bond Commingled Fund ⁽³⁾	Not rated	35,447,906	27.21%	-	0.00%
Amundi Multi-Sector Fixed Income Fund ⁽⁴⁾	Not rated	45,149,642	34.65%	1,486,469	2.04%
State Street Global Advisors U.S. Bond Index Fund ⁽⁵⁾	Not rated	-	0.00%	13,447,550	18.48%
BlackRock Strategic Income Opportunity Fund ⁽⁶⁾	Not rated	<u>49,682,787</u>	<u>38.14%</u>	<u>1,489,184</u>	<u>2.05%</u>
Total fixed income securities		<u>\$ 130,280,335</u>	<u>100.00%</u>	<u>72,781,691</u>	<u>100.00%</u>

(Continued)

See Independent Auditors' Report.

OKLAHOMA MUNICIPAL RETIREMENT FUND

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(2) CASH AND INVESTMENTS, CONTINUED

Credit Risk, Continued

- ⁽¹⁾ The Voya Fixed Plus III Fund is intended to be a long-term investment for participants seeking stability of principal. At June 30, 2023, the Voya Fixed Plus III Fund was weighted as follows: 34% U.S. Corporate public and private, 34% real estate and mortgage-backed securities, 16% international corporate public and private, 3% treasuries, and 13% all others.
- ⁽²⁾ The JPMorgan Core Bond Fund invests primarily in a diversified portfolio of intermediate-term and long-term debt securities. The fund is designed to maximize total return by investing in a portfolio of investment grade intermediate- and long-term debt securities. As part of its main investment strategy, the fund may principally invest in corporate bonds, U.S. Treasury obligations and other U.S. government and agency securities, and asset-backed, mortgage-related and mortgage-backed securities. At June 30, 2023, the fund was weighted as follows: 28.10% mortgage-backed securities, 26.34% treasuries, 24.33% corporate investment grade, 5.89% asset-backed, and 15.34% all others.
- ⁽³⁾ The JPMorgan Core Bond Commingled Fund invests primarily in a diversified portfolio of intermediate- and long-term debt securities. The fund is designed to maximize total return by investing in a portfolio of investment grade intermediate- and long-term debt securities. As part of its main investment strategy, the fund may principally invest in corporate bonds, U.S. Treasury obligations and other U.S. government and agency securities, and asset-backed, mortgage-related and mortgage-backed securities. At June 30, 2023, the fund was weighted as follows: 29.15% mortgage-backed securities, 24.38% treasuries, 24.10% corporate investment grades, 6.61% asset-backed, and 15.76% all others.
- ⁽⁴⁾ At June 30, 2023, the Amundi Multi-Sector Fixed Income Fund was weighted as follows: 37.11% securitized, 17.25% corporate investment grade, 3.22% treasury and government related, 14.37% corporate high yield and bank loans, 4.89% cash and derivatives, 3.08% TIPS, and 20.08% all others. The fund's strategy is an active, value driven multi-sector fixed income strategy that invests across a broad range of global fixed income asset classes. The fund expects to produce higher returns than a U.S. core investment grade strategy while working to limit volatility, due to the diversification benefits of less correlated non-investment grade and global fixed income sectors. Asset allocation and security selection are primary alpha sources, with contributions from interest rate and currency factors.
- ⁽⁵⁾ As of June 30, 2023, the State Street Global Advisors U.S. Bond Index Fund was weighted as follows: 40.93% treasuries, 26.84% mortgage-backed securities, 24.62% corporates, 3.83% non-corporates, 1.09% agencies, and 2.69% all others. The fund seeks an investment return that approximates as closely as practicable, before expenses, the performance of the Bloomberg U.S. Aggregate Bond Index over the long term.
- ⁽⁶⁾ Under normal market conditions, the BlackRock Strategic Income Opportunity Fund will invest in a combination of fixed income securities, including but not limited to: high yield securities, international securities, emerging markets debt, and mortgages. Depending on market conditions, the Fund may invest in other market sectors, like preferred securities, illiquid securities, exchange-traded funds ("ETFs"), including affiliated ETFs, and corporate loans, and engage in short sales for hedging purposes or to enhance total return. As of June 30, 2023, the fund was weighted as follows: 39.3% U.S. treasuries and agencies, 29.8% non-U.S. credit, 14.0% emerging markets, 22.8% securitized mortgage-backed, 10.1% U.S. high yield credit, 7.7% investment grade corporates, 1.3% municipal bonds, 3.8% cash and cash equivalents, 2.0% all others, and (30.8)% net derivative position.

See Independent Auditors' Report.

OKLAHOMA MUNICIPAL RETIREMENT FUND

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(2) CASH AND INVESTMENTS, CONTINUED

Credit Risk, Continued

<u>Investment Type</u>	Standard & Poor's Ratings (Unless Noted)	<u>Defined Benefit Plans</u>		<u>Defined Contribution Plans</u>	
		<u>Fair Value</u>	Fair Value as a Percent of Total Fixed Maturity <u>Fair Value</u>	<u>Fair Value</u>	Fair Value as a Percent of Total Fixed Maturity <u>Fair Value</u>
<u>2022</u>					
Collective trust and mutual funds:					
Voya Fixed Plus III Fund ⁽¹⁾	Not rated	\$ -	0.00%	53,869,451	72.63%
JPMorgan Core Bond Fund ⁽²⁾	Not rated	-	0.00%	2,856,715	3.85%
JPMorgan Core Bond Commingled Fund ⁽³⁾	Not rated	42,873,708	31.49%	-	0.00%
Amundi Multi-Sector Fixed Income Fund ⁽⁴⁾	Not rated	44,546,101	32.71%	1,407,411	1.90%
State Street Global Advisors U.S. Bond Index Fund ⁽⁵⁾	Not rated	-	0.00%	14,583,600	19.66%
BlackRock Strategic Income Opportunity Fund ⁽⁶⁾	Not rated	<u>48,750,475</u>	<u>35.80%</u>	<u>1,451,552</u>	<u>1.96%</u>
Total fixed income securities		<u>\$ 136,170,284</u>	<u>100.00%</u>	<u>74,168,729</u>	<u>100.00%</u>

(Continued)

See Independent Auditors' Report.

OKLAHOMA MUNICIPAL RETIREMENT FUND

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(2) CASH AND INVESTMENTS, CONTINUED

Credit Risk, Continued

- (1) The Voya Fixed Plus III Fund is intended to be a long-term investment for participants seeking stability of principal. At June 30, 2022, the Voya Fixed Plus III Fund was weighted as follows: 35% U.S. Corporate public and private, 34% real estate and mortgage-backed securities, 16% international corporate public and private, 4% treasuries, and 11% all others.
- (2) The JPMorgan Core Bond Fund invests primarily in a diversified portfolio of intermediate-term and long-term debt securities. The fund is designed to maximize total return by investing in a portfolio of investment grade intermediate- and long-term debt securities. As part of its main investment strategy, the fund may principally invest in corporate bonds, U.S. Treasury obligations and other U.S. government and agency securities, and asset-backed, mortgage-related and mortgage-backed securities. At June 30, 2022, the fund was weighted as follows: 27.42% mortgage-backed securities, 27.52% corporate investment grade, 25.61% treasuries, 4.24% asset-backed, and 15.21% all others.
- (3) The JPMorgan Core Bond Commingled Fund invests primarily in a diversified portfolio of intermediate- and long-term debt securities. The fund is designed to maximize total return by investing in a portfolio of investment grade intermediate- and long-term debt securities. As part of its main investment strategy, the fund may principally invest in corporate bonds, U.S. Treasury obligations and other U.S. government and agency securities, and asset-backed, mortgage-related and mortgage-backed securities. At June 30, 2022, the fund was weighted as follows: 26.18% mortgage-backed securities, 27.63% corporate investment grades, 24.57% treasuries, 4.46% asset-backed, and 17.16% all others.
- (4) At June 30, 2022, the Amundi Multi-Sector Fixed Income Fund was weighted as follows: 45.15% securitized, 9.89% corporate investment grade, 4.6% treasury and government related, 17.68% corporate high yield and bank loans, 10.70% cash and derivatives, and 11.98% all others. The fund's strategy is an active, value driven multi-sector fixed income strategy that invests across a broad range of global fixed income asset classes. The fund expects to produce higher returns than a U.S. core investment grade strategy while working to limit volatility, due to the diversification benefits of less correlated non-investment grade and global fixed income sectors. Asset allocation and security selection are primary alpha sources, with contributions from interest rate and currency factors.
- (5) As of June 30, 2022, the State Street Global Advisors U.S. Bond Index Fund was weighted as follows: 40.22% treasuries, 27.85% mortgage-backed securities, 24.46% corporates, 3.99% non-corporates, 1.26% agencies, and 2.22% all others. The fund seeks an investment return that approximates as closely as practicable, before expenses, the performance of the Bloomberg U.S. Aggregate Bond Index over the long term.
- (6) Under normal market conditions, the BlackRock Strategic Income Opportunity Fund will invest in a combination of fixed income securities, including but not limited to: high yield securities, international securities, emerging markets debt, and mortgages. Depending on market conditions, the Fund may invest in other market sectors, like preferred securities, illiquid securities, exchange-traded funds ("ETFs"), including affiliated ETFs, and corporate loans, and engage in short sales for hedging purposes or to enhance total return. As of June 30, 2022, the fund was weighted as follows: (11.9)% U.S. treasuries and agencies, 13.3% non-U.S. credit, 4.2% emerging markets, 18.1% securitized mortgage-backed, 9.2% U.S. high yield credit, 5.7% investment grade corporates, 3.9% municipal bonds, 15.3% cash and cash equivalents, 2.1% all others, and 40.1% net short derivative position.

See Independent Auditors' Report.

OKLAHOMA MUNICIPAL RETIREMENT FUND

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(2) CASH AND INVESTMENTS, CONTINUED

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. While all investments are subject to market changes, securities invested in index funds are more sensitive to market risk. The portfolio's duration shall be managed to \pm two years of the benchmark's duration. Prudent distribution across the yield curve in relation to the benchmark is also desired. Portfolio duration is monitored through a quarterly performance report provided by the investment consultant. As of June 30, the Fund had the following fixed income investments with maturities:

	<u>Investment Maturities at Fair Value (in Years)</u>					
	<u>Less than 1</u>	<u>1 or More, Less than 5</u>	<u>5 or More, Less than 10</u>	<u>10 or More</u>	<u>Commingled Funds with No Duration</u>	<u>Total Fair Value</u>
<u>2023</u>						
<u>Defined benefit plans:</u>						
Fixed income securities— collective trust funds and mutual funds	\$ -	-	-	-	130,280,335	130,280,335
 Total defined benefit plans	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>130,280,335</u>	<u>130,280,335</u>
 <u>Defined contribution plans:</u>						
Fixed income securities— collective trust funds and annuity pool fund	\$ -	-	-	-	72,781,691	72,781,691
 Total defined contribution plans	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>72,781,691</u>	<u>72,781,691</u>

See Independent Auditors' Report.

OKLAHOMA MUNICIPAL RETIREMENT FUND

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(2) CASH AND INVESTMENTS, CONTINUED

Interest Rate Risk, Continued

	Investment Maturities at Fair Value (in Years)					Total Fair Value
	<u>Less than 1</u>	<u>1 or More, Less than 5</u>	<u>5 or More, Less than 10</u>	<u>10 or More</u>	<u>Commingled Funds with No Duration</u>	
<u>2022</u>						
<u>Defined benefit plans:</u>						
Fixed income securities— collective trust funds and mutual funds	\$ -	-	-	-	136,170,284	136,170,284
Total defined benefit plans	\$ -	-	-	-	136,170,284	136,170,284
<u>Defined contribution plans:</u>						
Fixed income securities— collective trust funds and annuity pool fund	\$ -	-	-	-	74,168,729	74,168,729
Total defined contribution plans	\$ -	-	-	-	74,168,729	74,168,729

See Independent Auditors' Report.

OKLAHOMA MUNICIPAL RETIREMENT FUND

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(2) CASH AND INVESTMENTS, CONTINUED

Investments Measured at Fair Value

	Amounts Measured at Fair Value	Fair Value Measurements at Reporting Date Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<u>June 30, 2023</u>				
<u>Investments by Fair Value Level:</u>				
<u>Defined Benefit Plans</u>				
Short-term investments:				
Short-term investment fund	\$ 9,331,958	9,331,958	-	-
Total short-term investments measured at fair value level	<u>\$ 9,331,958</u>	<u>9,331,958</u>	<u>-</u>	<u>-</u>
Equity securities:				
U.S. domestic equities	\$ 30,283,592	30,283,592	-	-
Fixed income mutual funds	49,682,787	49,682,787	-	-
International mutual funds	49,404,203	49,404,203	-	-
International equities	301,576	301,576	-	-
Other alternatives (private equities) ⁽¹⁾	<u>4,133,280</u>	<u>-</u>	<u>-</u>	<u>4,133,280</u>
Total equity securities measured at fair value level	<u>133,805,438</u>	<u>129,672,158</u>	<u>-</u>	<u>4,133,280</u>
Investments measured at net asset value (NAV):				
Commingled U.S. domestic equity funds ⁽²⁾	254,595,423			
Commingled U.S. fixed income funds ⁽³⁾	80,597,548			
Commingled international equity funds ⁽⁴⁾	127,778,463			
Commingled real estate funds ⁽⁵⁾	76,926,658			
Other—alternative investments ⁽⁶⁾	<u>5,564,425</u>			
Total investments measured at NAV	<u>545,462,517</u>			
Total investments at fair value	<u>\$ 679,267,955</u>			

(Continued)

See Independent Auditors' Report.

(2) CASH AND INVESTMENTS, CONTINUED

Investments Measured at Fair Value, Continued

- (1) Other alternatives (private equities): The Fund classifies private equity investments in Level 3 of the fair value hierarchy, as most investments of this type require unobservable inputs and other ancillary market metrics to determine fair value.

This investment is structured to be operated by a general partner, who makes calls to limited partners when opportunity arises. As such, investment can generally not be redeemed, but instead participate in distributions as liquidations of underlying assets are realized.

- (2) Commingled U.S. domestic equity funds: Consists of two U.S. domestic equity funds considered commingled in nature. Each is valued at the net asset value of units held at the end of the period based upon the fair market value of the underlying investments and/or related index funds. There are no remaining unfunded commitments. Redemption of funds can be made daily, or within 15 days, if significant, for one fund and within 10 days for the other fund.
- (3) Commingled U.S. fixed income funds: Consist of two U.S. fixed income funds considered commingled in nature. Each are valued at the net asset value of units held at the end of the period based upon the fair market value of the underlying investments and/or related index funds. There are no remaining unfunded commitments. Redemption of funds can be made daily, or within 5 days, if significant.
- (4) Commingled international equity funds: Consist of three international equity funds considered commingled in nature. Each are valued at the net asset value of units held at the end of the period based upon the fair market value of the underlying investment and/or related index funds. There are no remaining unfunded commitments. Redemption of funds can generally be made daily and monthly with 5 days' notice, or 30 days' notice, if significant.
- (5) Commingled real estate funds: Consist of three real estate funds considered commingled in nature. Each are valued at the net asset value of units held at the end of the period based upon the fair market value of the underlying investment and/or related index funds. There are no remaining unfunded commitments. Redemption of funds can generally be made quarterly with 45 days' notice for two of the funds and quarterly with 90 days' notice for one fund,
- (6) Other—alternative investments: Consist of nine equity funds, investing in both long and short strategies (hedge funds) in U.S. and global equity funds that are diversified across geographies, sectors, and market caps. There are no remaining unfunded commitments. Six of the equity funds were subject to an initial lockup of funds for the first 12 months, one of the equity funds was subject to an initial lockup of funds for the first 3 months, one equity fund was subject to an initial lockup of funds for the first 24 months, and one equity fund was not subject to an initial lockup of funds, limiting redemptions for the majority of the funds. Presently redemptions on the nine equity funds can generally be made quarterly with 50–97 days' notice.

See Independent Auditors' Report.

OKLAHOMA MUNICIPAL RETIREMENT FUND

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(2) CASH AND INVESTMENTS, CONTINUED

Investments Measured at Fair Value, Continued

	Amounts Measured at Fair Value	Fair Value Measurements at Reporting Date Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<u>June 30, 2022</u>				
<u>Investments by Fair Value Level:</u>				
<u>Defined Benefit Plans</u>				
Short-term investments:				
Short-term investment fund	\$ 39,755,648	39,755,648	-	-
Total short-term investments measured at fair value level	<u>\$ 39,755,648</u>	<u>39,755,648</u>	<u>-</u>	<u>-</u>
Equity securities:				
U.S. domestic equities	\$ 53,873,566	53,873,566	-	-
Fixed income mutual funds	48,750,475	48,750,475	-	-
International mutual funds	67,688,040	67,688,040	-	-
International equities	<u>2,767,834</u>	<u>2,767,834</u>	<u>-</u>	<u>-</u>
Total equity securities measured at fair value level	<u>173,079,915</u>	<u>173,079,915</u>	<u>-</u>	<u>-</u>
Investments measured at net asset value (NAV):				
Commingled U.S. domestic equity funds ⁽¹⁾	151,696,644			
Commingled U.S. fixed income funds ⁽²⁾	87,419,809			
Commingled international equity funds ⁽³⁾	77,535,160			
Commingled real estate funds ⁽⁴⁾	61,227,270			
Other—alternative investments ⁽⁵⁾	<u>51,404,690</u>			
Total investments measured at NAV	<u>429,283,573</u>			
Total investments at fair value	<u>\$ 602,363,488</u>			

(Continued)

See Independent Auditors' Report.

OKLAHOMA MUNICIPAL RETIREMENT FUND

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(2) CASH AND INVESTMENTS, CONTINUED

Investments Measured at Fair Value, Continued

-
- (1) Commingled U.S. domestic equity funds: Managed using indexing approach to closely replicate performance of the S&P 500 over the long term. There are no remaining unfunded commitments. Redemption of funds can be made daily, or within 15 days, if significant.
 - (2) Commingled U.S. fixed income funds: Consist of two U.S. fixed income funds considered commingled in nature. Each are valued at the net asset value of units held at the end of the period based upon the fair market value of the underlying investments and/or related index funds. There are no remaining unfunded commitments. Redemption of funds can be made daily, or within 5 days, if significant.
 - (3) Commingled international equity funds: Consist of two international equity funds considered commingled in nature. Each are valued at the net asset value of units held at the end of the period based upon the fair market value of the underlying investment and/or related index funds. There are no remaining unfunded commitments. Redemption of funds can generally be made daily and monthly with 5 days' notice, or 30 days' notice, if significant.
 - (4) Commingled real estate funds: Consist of two real estate funds considered commingled in nature. Each are valued at the net asset value of units held at the end of the period based upon the fair market value of the underlying investment and/or related index funds. There are no remaining unfunded commitments. Redemption of funds can generally be made quarterly with 45 days' notice.
 - (5) Other—alternative investments: Consist of eleven equity funds, investing in both long and short strategies (hedge funds) in U.S. and global equity funds that are diversified across geographies, sectors, and market caps. There are no remaining unfunded commitments. Eight of the equity funds were subject to an initial lockup of funds for the first 12 months, one of the equity funds was subject to an initial lockup of funds for the first 3 months, one equity fund was subject to an initial lockup of funds for the first 24 months, and one equity fund was not subject to an initial lockup of funds, limiting redemptions for the majority of the funds. Presently redemptions on the eleven equity funds can generally be made quarterly with 90 days' notice.

See Independent Auditors' Report.

OKLAHOMA MUNICIPAL RETIREMENT FUND

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(2) CASH AND INVESTMENTS, CONTINUED

Investments Measured at Fair Value, Continued

	Amounts Measured at Fair Value	Fair Value Measurements at Reporting Date Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<u>June 30, 2023</u>				
<u>Investments by Fair Value Level:</u>				
<u>Defined Contribution Plans</u>				
Equity securities:				
U.S. domestic mutual funds	\$ 29,578,793	29,578,793	-	-
Fixed-income mutual funds	1,489,184	1,489,184	-	-
International mutual funds	2,179,512	2,179,512	-	-
Real assets mutual funds	<u>143,069</u>	<u>143,069</u>	-	-
Total equity securities at fair value	<u>33,390,558</u>	<u>33,390,558</u>	<u>-</u>	<u>-</u>
Investments measured at net asset value (NAV):				
Commingled U.S. domestic equity funds ⁽¹⁾	57,067,228			
Commingled U.S. fixed income funds ⁽²⁾	17,878,533			
Commingled international equity funds ⁽³⁾	10,478,184			
Passive target date funds ⁽⁴⁾	207,916,300			
Other—annuity pool fund ⁽⁵⁾	53,413,974			
Real assets funds ⁽⁶⁾	<u>847,368</u>			
Total investments measured at NAV	<u>347,601,587</u>			
Total investments at fair value	<u>\$ 380,992,145</u>			

(Continued)

See Independent Auditors' Report.

(2) CASH AND INVESTMENTS, CONTINUED

Investments Measured at Fair Value, Continued

- ⁽¹⁾ Commingled U.S. domestic equity funds: Consist of four domestic equity funds considered commingled in nature. Each are valued at the net asset value of units held at the end of the period based upon the fair market value of the underlying investments and/or related index funds. There are no remaining unfunded commitments. Redemptions can be made daily with 1 day's notice, or with 5 to 10 days' notice, if significant.
- ⁽²⁾ Commingled U.S. fixed income funds: Consist of three U.S. fixed income funds considered commingled in nature. Each are valued at the net asset value of units held at the end of the period based upon the fair market value of the underlying investments and/or related index funds. There are no remaining unfunded commitments. Redemptions can be made daily with 1 day's notice, or with 5 days' notice, if significant.
- ⁽³⁾ Commingled international equity funds: Consist of four international equity funds considered commingled in nature. Each are valued at the net asset value of units held at the end of the period based upon the fair market value of the underlying investments and/or related index funds. There are no remaining unfunded commitments. Redemptions can be made daily with 1 day's notice, or with 5 to 10 days' notice, if significant.
- ⁽⁴⁾ Passive target date funds: Consist of eleven funds managed to a specific retirement year and one fund transitioned and managed as a retirement income fund. There are no remaining unfunded commitments. Redemptions can be made daily with 1 day's notice, or with 5 days' notice, if significant.
- ⁽⁵⁾ Other—annuity pool fund: Available through an annuity contract to be a long-term option to seek stability of principal. The underlying securities are diversified in various fixed income sectors. There are no remaining unfunded commitments. Redemptions can be made daily, quarterly, and annually, with notice from 1 day to 4 years, subject to equity wash restrictions.
- ⁽⁶⁾ Real assets funds: Commingled funds consisting of three core real assets considered commingled in nature. Each are valued at the net asset value of units held at the end of the period based upon the fair market value of the underlying investments and/or related index funds. There are no remaining unfunded commitments. Redemptions can be made daily with 1 day's notice, or with 5 to 15 days' notice, if significant.

OKLAHOMA MUNICIPAL RETIREMENT FUND

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(2) CASH AND INVESTMENTS, CONTINUED

Investments Measured at Fair Value, Continued

	Amounts Measured at Fair Value	Fair Value Measurements at Reporting Date Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<u>June 30, 2022</u>				
<u>Investments by Fair Value Level:</u>				
<u>Defined Contribution Plans</u>				
Equity securities:				
U.S. domestic mutual funds	\$ 29,710,339	29,710,339	-	-
Fixed-income mutual funds	1,451,552	1,451,552	-	-
International mutual funds	4,037,695	4,037,695	-	-
Real assets mutual funds	<u>128,027</u>	<u>128,027</u>	-	-
Total equity securities at fair value	<u>35,327,613</u>	<u>35,327,613</u>	-	-
Investments measured at net asset value (NAV):				
Commingled U.S. domestic equity funds ⁽¹⁾	45,755,291			
Commingled U.S. fixed income funds ⁽²⁾	18,847,726			
Commingled international equity funds ⁽³⁾	7,711,308			
Passive target date funds ⁽⁴⁾	187,644,330			
Other—annuity pool fund ⁽⁵⁾	53,869,451			
Real assets funds ⁽⁶⁾	<u>1,042,081</u>			
Total investments measured at NAV	<u>314,870,187</u>			
Total investments at fair value	<u>\$ 350,197,800</u>			

(Continued)

See Independent Auditors' Report.

(2) CASH AND INVESTMENTS, CONTINUED

Investments Measured at Fair Value, Continued

- ⁽¹⁾ Commingled U.S. domestic equity funds: Consist of four domestic equity funds considered commingled in nature. Each are valued at the net asset value of units held at the end of the period based upon the fair market value of the underlying investments and/or related index funds. There are no remaining unfunded commitments. Redemptions can be made daily with 1 day's notice, or with 5 to 15 days' notice, if significant.
- ⁽²⁾ Commingled U.S. fixed income funds: Consist of three U.S. fixed income funds considered commingled in nature. Each are valued at the net asset value of units held at the end of the period based upon the fair market value of the underlying investments and/or related index funds. There are no remaining unfunded commitments. Redemptions can be made daily with 1 day's notice, or with 5 to 15 days' notice, if significant.
- ⁽³⁾ Commingled international equity funds: Consist of three international equity funds considered commingled in nature. Each are valued at the net asset value of units held at the end of the period based upon the fair market value of the underlying investments and/or related index funds. There are no remaining unfunded commitments. Redemptions can be made daily with 1 day's notice, or with 5 to 15 days' notice, if significant.
- ⁽⁴⁾ Passive target date funds: Consist of ten funds managed to a specific retirement year and one fund transitioned and managed as a retirement income fund. There are no remaining unfunded commitments. Redemptions can be made daily with 1 day's notice, or with 5 to 15 days' notice, if significant.
- ⁽⁵⁾ Other—annuity pool fund: Available through an annuity contract to be a long-term option to seek stability of principal. The underlying securities are diversified in various fixed income sectors. There are no remaining unfunded commitments. Redemptions can be made daily, quarterly, and annually, with notice from 1 day to 4 years, subject to equity wash restrictions.
- ⁽⁶⁾ Real assets funds: Commingled funds consisting of three core real assets considered commingled in nature. Each are valued at the net asset value of units held at the end of the period based upon the fair market value of the underlying investments and/or related index funds. There are no remaining unfunded commitments. Redemptions can be made daily with 1 day's notice, or with 5 to 15 days' notice, if significant.

OKLAHOMA MUNICIPAL RETIREMENT FUND

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(3) ALTERNATIVE INVESTMENTS

The Fund invests in alternative investments in the defined benefit plan. The alternative investments at June 30 are summarized in the following table:

<u>Investment</u>	<u>Purpose</u>	<u>Fair Value</u>	
		<u>2023</u>	<u>2022</u>
K2 Ascent, LLC	Offers multiple series of membership interests, each of which corresponds to a single privately offered investment fund or, in certain instances, one of several strategies offered by a privately offered investment fund.	\$ 5,564,425	51,404,690
Warburg Pincus Global Growth 14, L.P.	Private equity investment	<u>4,133,280</u>	<u>-</u>
		<u>\$ 9,697,705</u>	<u>51,404,690</u>

As of June 30, 2023 and 2022, K2 Ascent, LLC (“K2”) had no unfunded commitments.

K2 Ascent, LLC accounts for its investments in investment funds at fair value. The fair value of each investment is estimated using the net asset value or its equivalent as reported by the investment fund.

The Fund started its initial participation in the private equity asset class during the year ended June 30, 2023 as a limited partner in the Warburg Pincus Global Growth 14, L.P. (“Warburg Pincus”). The partnership was organized for the purpose of making investments in growth capital transactions, early growth platforms, buyouts, recapitalizations, and other special situations purchasing assets, securities, and other interests to facilitate such private equity investments. The term of the investment is 12 years from the effective date, subject to extension by the general partner (with Advisory Committee approval) for up to two years and is considered non-liquid. The Fund intends to hold this investment in private equity till maturity.

The Fund’s initial commitment for Warburg Pincus approved during fiscal year 2023 was \$20 million. In April 2023, the first call of \$4 million was funded, resulting in the remaining commitment to Warburg Pincus on June 30, 2023, at \$16 million.

See Independent Auditors’ Report.

OKLAHOMA MUNICIPAL RETIREMENT FUND

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(4) REAL ESTATE

The Fund invests in real estate investments in the defined benefit plan, which consist of three commingled pension trust funds. The real estate investment funds at June 30 are summarized in the following table:

<u>Investment</u>	<u>Purpose</u>	<u>Fair Value</u>	
		<u>2023</u>	<u>2022</u>
JPMorgan Chase Bank Strategic Property Fund	The fund owns and seeks improved real estate projects with stabilized occupancies in an effort to produce a relatively high level of current income combined with moderate appreciation potential.	\$ 31,220,154	35,201,309
JPMorgan Chase Bank Special Situation Property Fund	The fund targets real estate investments that provide a moderate level of current income and high residual appreciation.	21,192,593	26,025,961
Clarion Lion Industrial Trust	The fund targets industrial real estate investments in North America that primarily consist of operating and stabilized warehouse and distribution properties that cater to the e-commerce, logistics, and supply-chain management	<u>24,513,911</u>	<u>-</u>
		<u>\$ 76,926,658</u>	<u>61,227,270</u>

All of the real estate investments account for their investments at fair value. Fair values of real estate investments are determined by JPMorgan or Clarion Lion at each valuation date. As part of JPMorgan’s valuation process, independent appraisers value properties on an annual basis (at a minimum). As part of Clarion Lion’s valuation process, the properties are appraised at least annually by third-party appraisal firms selected and supervised by an independent appraisal supervisor.

As of June 30, 2023, the Fund had no commitments to fund real estate investments. As of June 30, 2022, the Fund had a commitment to fund \$25,000,000 in the Clarion Lion Industrial Trust.

See Independent Auditors’ Report.

OKLAHOMA MUNICIPAL RETIREMENT FUND

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(5) TRUST ADMINISTRATIVE ACCOUNT

Costs and expenses incurred in the administration and management of the Fund are paid from the Fund's assets, including investment advisor fees. These costs are paid from the Fund through transfers to the Trust Administrative Account. Any unusual administrative costs are paid directly by the Member.

The balance in the Trust Administrative Account is not available for plan benefits, but may be used only to pay administrative expenses of the Fund. Therefore, the Trust Administrative Account balances are not included in the Fund's financial statements.

Transactions in the Trust Administrative Account for the years ended June 30 were as follows:

	<u>2023</u>	<u>2022</u>
Beginning balance	\$ 972,894	864,462
Income (expense):		
Interest and fee income	33,606	1,098
Income from outside sources	149,821	106,438
Fees earned and transfers from the Fund	<u>2,907,366</u>	<u>3,112,896</u>
Total income	<u>3,090,793</u>	<u>3,220,432</u>
Administrative and investment expenses:		
Actuary and recordkeeping	542,847	547,774
Administration	1,362,935	1,226,194
Legal and audit	116,242	117,810
Training and travel	64,004	60,351
Insurance	176,968	165,115
Investment advisors and consultants	630,758	849,612
Custodial	118,590	129,092
City-directed expense	<u>16,262</u>	<u>16,052</u>
Total administrative and investment expenses	<u>3,028,606</u>	<u>3,112,000</u>
Ending balance	<u>\$ 1,035,081</u>	<u>972,894</u>

The Trust Administrative Account is used for administrative expenses per approval of the Board of Trustees. In addition, during the years ended June 30, 2023 and 2022, furniture, fixtures, and equipment were purchased and are part of the administration cost. Generally, such items would be capitalized and depreciated. However, as the amounts are considered immaterial in comparison to the total operations, they have been expensed.

See Independent Auditors' Report.

OKLAHOMA MUNICIPAL RETIREMENT FUND

NOTES TO FINANCIAL STATEMENTS, CONTINUED

(6) COMMITMENTS AND CONTINGENCIES

Leases

The Fund leases office space under an operating lease. The lease commenced on December 31, 2017, for a 10-year period, with a renewal option for an additional 5 years. Future minimum lease payments as of June 30, 2023, were as follows:

2024	\$	94,856
2025		97,701
2026		100,632
2027		103,651
2028		<u>52,592</u>
	\$	<u>449,432</u>

Total lease expense for the years ended June 30, 2023 and 2022, was approximately \$96,000 and \$94,000, respectively. The lease payments are made through the Trust Administrative Account. The Fund considered the requirements of GASB Statement No. 87, *Leases*, in relation to the office space lease, and determined its effects to be immaterial. As such, the lease payments are expensed through the Trust Administrative Account as incurred.

See Independent Auditors' Report.

OKLAHOMA MUNICIPAL RETIREMENT FUND
REQUIRED SUPPLEMENTARY INFORMATION

OKLAHOMA MUNICIPAL RETIREMENT FUND

SCHEDULE OF INVESTMENT RETURNS

<i>Last 10 Fiscal Years</i>	<i>2023</i>	<i>2022</i>	<i>2021</i>	<i>2020</i>	<i>2019</i>	<i>2018</i>	<i>2017</i>	<i>2016</i>	<i>2015</i>	<i>2014</i>
Annual money-weighted rate of return on defined benefit assets, net of investment expense	9.13%	(12.43)%	27.70%	4.08%	6.87%	7.27%	12.36%	0.89%	2.82%	16.48%

See Independent Auditors' Report.

OKLAHOMA MUNICIPAL RETIREMENT FUND

OTHER SUPPLEMENTARY INFORMATION

OKLAHOMA MUNICIPAL RETIREMENT FUND

**OTHER SUPPLEMENTARY INFORMATION—ANALYSIS OF FUND OWNERSHIP FOR
DEFINED CONTRIBUTION PLANS**

June 30, 2023

Members	Unit Market Value Ownership Percentage	Market Value Ownership
Ada	8.02085%	\$ 30,858,871
Ada—CMO Plan	0.10984%	422,593
Afton/Afton Public Works Authority	0.04440%	170,806
Altus	0.70835%	2,725,245
Altus—CMO Plan	0.04885%	187,946
Altus—CMO Plan #2	0.03560%	136,951
Alva	0.37227%	1,432,230
Arapaho	0.01233%	47,437
Arkoma	0.03264%	125,582
Atoka	0.01120%	43,075
Bartlesville	0.92672%	3,565,387
Bethany—CMO Plan	0.02430%	93,493
Bethany/Warr Acres	0.01449%	55,737
Bixby—CMO Plan	0.00675%	25,978
Blackwell	0.06904%	265,637
Blackwell—CMO Plan	0.00694%	26,694
Broken Arrow—CMO-SI	0.02665%	102,520
Broken Arrow—DC	13.45143%	51,752,132
Cache/Cache PWA	0.04373%	168,252
Caddo/Caddo PWA	0.06803%	261,718
Calumet	0.01637%	62,977
Caney	0.00599%	23,051
Carlton Landing—CMO Plan	0.01449%	55,766
Carlton Landing	0.00052%	1,983
Carmen and CPWA	0.02574%	99,046
Cashion	0.08280%	318,562
Catoosa—CMO Plan	0.04036%	155,269
Catoosa—CMO Plan #2	0.00453%	17,434
Catoosa—COP	0.01474%	56,725
Central Oklahoma MCD—CMO Plan	0.25602%	984,993
Chandler—CMO Plan	0.04265%	164,075
Chattanooga	0.02508%	96,491
Chelsea	0.11787%	453,497
Chelsea Gas Authority	0.02078%	79,957
Chickasha—CMO Plan	0.00357%	13,738
Choctaw/Choctaw Utilities Authority	0.94814%	3,647,822

See Independent Auditors' Report.

OKLAHOMA MUNICIPAL RETIREMENT FUND

**OTHER SUPPLEMENTARY INFORMATION—ANALYSIS OF FUND OWNERSHIP FOR
DEFINED CONTRIBUTION PLANS, CONTINUED**

June 30, 2023

Members	Unit Market Value Ownership Percentage	Market Value Ownership
Choctaw—CMO Plan	0.00532%	20,470
Chouteau/Chouteau Public Works Authority	0.19668%	756,693
Claremore—CMO Plan	0.00367%	14,126
Cleveland—CMO Plan	0.00068%	2,611
Clinton	0.74503%	2,866,366
Clinton—CMO Plan	0.01093%	42,067
Coalgate	0.17518%	673,978
Collinsville—CMO Plan	0.18942%	728,773
Collinsville Special Incentive—CMO Plan	0.02083%	80,145
Comanche—CMO Plan	0.01712%	65,872
Covington/Covington Utilities Authority	0.06965%	267,978
Coweta	0.60862%	2,341,557
Coweta—CMO Plan	0.29970%	1,153,056
Coweta Special Incentive—CMO Plan	0.01451%	55,838
Crescent	0.11774%	452,999
Crescent—CMO Plan	0.03711%	142,784
Custer City/Custer City Public Works Authority	0.04671%	179,712
Davis—CMO Plan	0.02171%	83,524
Dewey—CMO Plan	0.05804%	223,301
Drumright/Drumright Utility Authority/Drumright Gas Authority	0.09279%	356,994
Drumright—CMO Plan	0.06566%	252,629
Duncan	0.58652%	2,256,524
Duncan—CMO Plan	0.09611%	369,748
Durant	0.82269%	3,165,169
Durant—CMO Plan	0.00462%	17,785
Eakly	0.04272%	164,354
East Duke and DMA	0.01414%	54,388
El Reno—CMO Plan	0.09539%	367,001
El Reno—CMO Plan 2	0.00482%	18,540
Eldorado	0.04710%	181,195
Elgin	0.13591%	522,889
Erick	0.02315%	89,082
Erick—CMO Plan	0.00234%	9,019
Eufaula—CMO Plan	0.02175%	83,688
Fairview/Fairview Utilities Authority	0.30668%	1,179,894
Fairview—CMO Plan	0.01383%	53,224

See Independent Auditors' Report.

OKLAHOMA MUNICIPAL RETIREMENT FUND

**OTHER SUPPLEMENTARY INFORMATION—ANALYSIS OF FUND OWNERSHIP FOR
DEFINED CONTRIBUTION PLANS, CONTINUED**

June 30, 2023

Members	Unit Market Value Ownership Percentage	Market Value Ownership
Fletcher	0.01474%	56,693
Fort Gibson/Fort Gibson Utility Authority	0.23142%	890,347
Frederick—CMO Plan	0.06644%	255,611
Gage	0.00831%	31,966
Geronimo	0.00470%	18,094
Glencoe/GPWA	0.01535%	59,060
Glenpool/Glenpool Utility Service Authority	0.32621%	1,255,023
Glenpool—CMO Plan 1	0.07392%	284,400
Glenpool—CMO Plan 2	0.04836%	186,042
Glenpool—COP	0.01677%	64,513
Goldsby	0.39135%	1,505,648
Goltry/GPWA	0.02553%	98,205
Guthrie—CMO Plan	0.06460%	248,527
Guymon/Guymon Utility Authority	0.93810%	3,609,196
Guymon—CMO Plan	0.02724%	104,814
Guymon—CMO DH Plan	0.27899%	1,073,372
Harrah/Harrah Public Works Authority	0.21331%	820,677
Harrah—CMO Plan	0.06645%	255,644
Hartshorne	0.06204%	238,679
Haskell/Haskell Public Works Authority	0.26525%	1,020,490
Haskell Special Incentive—CMO Plan	0.00409%	15,728
Healdton—CMO Plan	0.01151%	44,284
Helena	0.06460%	248,539
Hennessey	0.09635%	370,707
Henryetta—CMO Plan	0.01485%	57,122
Hobart	0.42692%	1,642,502
Hollis	0.11945%	459,546
Hominy	0.39756%	1,529,532
Hominy—CMO Plan	0.00726%	27,948
Inola	0.02864%	110,182
Jay/Jay Utility Authority	0.31894%	1,227,085
Jenks	0.83020%	3,194,041
Jones City and Jones PWA	0.06751%	259,751
Kaw City	0.00857%	32,976
Konawa and Konawa PWA	0.01550%	59,638
Lahoma	0.03772%	145,104

See Independent Auditors' Report.

OKLAHOMA MUNICIPAL RETIREMENT FUND

**OTHER SUPPLEMENTARY INFORMATION—ANALYSIS OF FUND OWNERSHIP FOR
DEFINED CONTRIBUTION PLANS, CONTINUED**

June 30, 2023

Members	Unit Market Value Ownership Percentage	Market Value Ownership
Lawton	0.61502%	2,366,190
Lehigh	0.00067%	2,596
Lindsay and Lindsay PWA	0.06145%	236,420
Lindsay and Lindsay PWA—CMO Plan	0.01780%	68,493
Lone Grove/Lone Grove Water Trust Authority	0.14940%	574,789
Lone Grove—CMO Plan	0.02594%	99,814
Luther	0.00475%	18,265
Mangum Utilities Authority—CMO Plan	0.09395%	361,444
Mannford—CMO CM Plan	0.21064%	810,395
Mannford—CMO DH Plan	0.15296%	588,491
Mannford Special Incentive—CMO Plan	0.00556%	21,380
Mannsville	0.02304%	88,660
Marlow/Marlow Municipal Authority	0.60226%	2,317,096
Marlow—CMO Plan	0.07051%	271,294
Maysville	0.02878%	110,714
Maysville New Hires 8/22	0.00095%	3,651
McAlester	0.39982%	1,538,250
McAlester—CMO Plan	0.00459%	17,662
McLoud—CMO Plan	0.01881%	72,359
Meeker—CMO Plan	0.00745%	28,648
Midwest City	15.03521%	57,845,822
Mooreland—CMO Plan	0.01096%	42,166
Morris/Morris PWA	0.02115%	81,381
Mounds	0.01484%	57,108
MSCA	0.00932%	35,850
Muskogee	6.50280%	25,018,445
Muskogee—CMO Plan	0.14764%	568,026
Muskogee Redevelopment Authority	0.01304%	50,180
Muskogee Tourism Authority	0.00071%	2,747
Mustang	0.04676%	179,897
New Prue	0.00395%	15,213
Newkirk	0.13309%	512,058
Newkirk—CMO Plan	0.02946%	113,350
Nicoma Park	0.24101%	927,242
Noble—CMO Plan	0.06505%	250,257
Oakland	0.02913%	112,063

See Independent Auditors' Report.

OKLAHOMA MUNICIPAL RETIREMENT FUND

**OTHER SUPPLEMENTARY INFORMATION—ANALYSIS OF FUND OWNERSHIP FOR
DEFINED CONTRIBUTION PLANS, CONTINUED**

June 30, 2023

Members	Unit Market Value Ownership Percentage	Market Value Ownership
OK Mun Assurance Group	2.81476%	10,829,328
OK Mun Management Serv Auth	0.03035%	116,782
OK Mun Utility Service Authority	0.18704%	719,602
Okeene—CMO Plan	0.00171%	6,564
Okemah—CMO Plan	0.00587%	22,572
OkMRF—CMO Plan	0.24520%	943,380
Okmulgee	1.08514%	4,174,881
Okmulgee—CMO Plan	0.05508%	211,900
Olustee	0.01868%	71,854
OMAG—CMO Plan	0.00744%	28,611
OML—CMO Plan	0.00038%	1,462
OMMS	0.00585%	22,513
OMUSA—CMO Plan	0.07831%	301,298
OMUSA—Assistant General Manager CMO Plan	0.00458%	17,611
Owasso	2.35672%	9,067,097
Pauls Valley	0.55809%	2,147,152
Pauls Valley—CMO Plan	0.07179%	276,181
Pawhuska	0.62453%	2,402,769
Perkins—CMO Plan	0.04416%	169,886
Piedmont/Piedmont Municipal Authority	0.14003%	538,734
Piedmont—CMO Plan	0.03701%	142,394
Pocola	0.07550%	290,464
Pocola—PT	0.00191%	7,354
Porum	0.23769%	914,458
Prague	0.25084%	965,060
Prague—CMO Plan	0.03486%	134,118
Prairie Pointe at Stroud	0.00592%	22,766
Ringwood	0.02141%	82,382
Roff/Roff PWA	0.01513%	58,199
Roland	0.00579%	22,275
Salina	0.00777%	29,883
Sand Springs	4.02285%	15,477,229
Sand Springs—CMO Plan	0.09630%	370,510
Sapulpa	1.04966%	4,038,381
Sapulpa—CMO Plan	0.04697%	180,719
Sapulpa—CMO SI CA Plan	0.00917%	35,280

See Independent Auditors' Report.

OKLAHOMA MUNICIPAL RETIREMENT FUND

**OTHER SUPPLEMENTARY INFORMATION—ANALYSIS OF FUND OWNERSHIP FOR
DEFINED CONTRIBUTION PLANS, CONTINUED**

June 30, 2023

Members	Unit Market Value Ownership Percentage	Market Value Ownership
Savanna	0.01797%	69,149
Sayre/Sayre PWA/Sayre Industrial Authority	0.31803%	1,223,570
Sayre—CMO Plan	0.10564%	406,423
Seiling/Seiling PWA	0.03362%	129,344
Seiling—CMO Plan	0.03107%	119,549
Seminole	0.88115%	3,390,080
Seminole—CMO Plan	0.25873%	995,413
Shawnee	1.04790%	4,031,627
Shawnee—CMO DH Plan	0.54490%	2,096,396
Shawnee Special Incentive—CMO Plan	0.03574%	137,497
Shawnee New Hires 7/13	0.48733%	1,874,927
Skiatook	0.77360%	2,976,283
Skiatook—CMO Plan	0.04657%	179,154
Slaughterville	0.06380%	245,453
Snyder	0.03825%	147,146
Spavinaw	0.00095%	3,666
Stillwater	14.06435%	54,110,284
Stillwater—CMO Plan	0.12903%	496,427
Stringtown	0.02212%	85,112
Stroud	0.25258%	971,771
Stroud—CMO Plan	0.07551%	290,494
Sulphur—CMO Plan	0.03830%	147,338
Tecumseh	0.52200%	2,008,292
Tecumseh—CMO Plan	0.06388%	245,777
Terral	0.00902%	34,712
Texhoma and PWA	0.20415%	785,436
Thackerville	0.01837%	70,692
The Village	0.00058%	2,240
Tishomingo/Tishomingo Municipal Authority	0.01797%	69,154
Tishomingo—CMO Plan	0.04210%	161,955
Tonkawa—CMO Plan	0.02289%	88,054
Tyrone and Tyrone PWA	0.00002%	89
Union City	0.02910%	111,966
Valley Brook	0.18551%	713,718
Valley Brook New Hires 11/14	0.02415%	92,906
Verden	0.00671%	25,815

See Independent Auditors' Report.

OKLAHOMA MUNICIPAL RETIREMENT FUND

**OTHER SUPPLEMENTARY INFORMATION—ANALYSIS OF FUND OWNERSHIP FOR
DEFINED CONTRIBUTION PLANS, CONTINUED**

June 30, 2023

Members	Unit Market Value Ownership Percentage	Market Value Ownership
Verdigris	0.07340%	282,396
Walters	0.25276%	972,458
Walters—CMO	0.00975%	37,496
Warner	0.06977%	268,442
Warr Acres	0.41661%	1,602,851
Waurika—CMO Plan	0.00030%	1,161
Waynoka	0.16318%	627,818
Waynoka—CMO Plan	0.00725%	27,880
Waynoka—Mental Health Authority CMO Plan	0.00782%	30,101
Weatherford	1.39987%	5,385,379
Weleetka	0.00385%	14,826
West Siloam Springs and WSSMTA	0.09041%	347,838
Westville	0.00065%	2,518
Woodward/Woodward Municipal Authority	0.70519%	2,713,115
Woodward—CMO Plan	0.02876%	110,650
Yukon—CMO Plan	0.00204%	7,834
Yukon New Hires 7/14	1.04416%	4,017,213
	100.0000%	\$ 384,733,279

This schedule presents the ownership allocation by Member of the net position restricted for plan benefits as of June 30, 2023.

See Independent Auditors' Report.

OKLAHOMA MUNICIPAL RETIREMENT FUND

**REPORT REQUIRED BY
*GOVERNMENT AUDITING STANDARD***

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Trustees
Oklahoma Municipal Retirement Fund

We have audited, in accordance with the auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Oklahoma Municipal Retirement Fund (the "Fund"), which comprise the statements of fiduciary net position (Defined Benefit and Defined Contribution Plans) as of June 30, 2023, and the related statements of changes in fiduciary net position for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 21, 2023. Our report includes an explanatory paragraph disclaiming an opinion on required supplementary information.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Fund's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of the Fund's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

(Continued)

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*, CONTINUED**

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Fund's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Finley & Cook, PLLC". The signature is written in a cursive, flowing style.

Shawnee, Oklahoma
December 21, 2023